

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF MT. OLIVET)	CASE NO. 97-389-F
NATURAL GAS COMPANY, INC.)	

O R D E R

On April 24, 1998, in Case No. 97-389, the Commission approved certain adjusted rates for Mt. Olivet Natural Gas Company, Inc. ("Mt. Olivet") and provided for their further adjustment on a quarterly basis in accordance with its gas cost adjustment ("GCA") clause.

On August 26, 1999, Mt. Olivet filed its GCA proposed to be effective from October 1, 1999 to December 31, 1999.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Mt. Olivet's notice proposed revised rates designed to pass on its expected wholesale increase in gas costs to its customers. The proposed EGC of \$3.3311 per Mcf is 48.39 cents per Mcf more than its prior EGC.
2. Mt. Olivet has no current supplier refunds to return to its customers.
3. The notice set out a current quarter actual adjustment ("AA") of .61 cents per Mcf to reconcile gas cost from April, May, and June 1999. The total AA of (\$.9824) per Mcf reflects the current under-collection as well as under- and over-collections from previous quarters. The total AA represents a increase of 3.16 cents per Mcf from the previous total AA.

4. These adjustments produce a gas cost recovery rate of \$2.3487 per Mcf, \$.5155 per Mcf more than the prior rate of \$1.8332.

5. The rate adjustments in the Appendix to this Order are fair, just, and reasonable, in the public interest, and should be approved with gas supplied on and after October 1, 1999.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are fair, just, and reasonable, and are effective for gas supplied on and after October 1, 1999.

2. Within 30 days of the date of this Order, Mt. Olivet shall file with this Commission its revised tariffs setting out the rates authorized in this Order.

Done at Frankfort, Kentucky, this 1st day of October, 1999.

By the Commission

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 97-389-F DATED OCTOBER 1, 1999

The following rates and charges are prescribed for the customers in the area served by Mt. Olivet Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Rates: Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1,000 cu. ft. or less	\$3.1996	\$2.3487	\$5.5483
Next 4,000 cu. ft. per 1,000 cu. ft.	1.4143	2.3487	3.7630
Next 5,000 cu. ft. per 1,000 cu. ft.	1.2095	2.3487	3.5582
Next 10,000 cu. ft. per 1,000 cu. ft.	1.0578	2.3487	3.4065
Over 20,000 cu. ft. per 1,000 cu. ft.	0.8501	2.3487	3.1988